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1	STATE RETIREMENT FORMULA CHANGES
2	2001 GENERAL SESSION
3	STATE OF UTAH
4	Sponsor: John L. Valentine
5	This act modifies the Utah State Retirement Act to authorize an additional retirement benefit
6	to certain retirees. This act takes effect on July 1, 2001.
7	This act affects sections of Utah Code Annotated 1953 as follows:
8	AMENDS:
9	49-1-617 , as enacted by Chapter 353, Laws of Utah 2000
10	Be it enacted by the Legislature of the state of Utah:
11	Section 1. Section 49-1-617 is amended to read:
12	49-1-617. Payment of additional retirement benefit Rules for implementation.
13	(1) (a) [If the Legislature in an annual appropriations act with accompanying intent
14	language specifically authorizes this use, the] The board shall provide an additional benefit to
15	retirees under Title 49, Chapters 2, Public Employees' Retirement Act, and 3, Public Employees'
16	Noncontributory Retirement Act, whose retirement allowance, when calculated, amounts to less
17	than the allowance provided by using at least 1.25% per year of service factor for all years of
18	service rendered prior to July 1, 1967.
19	(b) The benefit provided in Subsection (1)(a) shall be calculated by the board using a
20	formula based upon actuarial assumptions and principles that results in a benefit that is as close
21	as reasonably possible to 1.25% per year of service for each retiree for service rendered prior to
22	July 1, 1967.
23	[(2) Upon receipt of the legislative appropriation and after]
24	(2) (a) If the contribution rates established under Sections 49-2-301 and 49-3-301 are
25	reduced for fiscal year 2002-03, the difference between the rates for fiscal years 2001-02 and
26	2002-03 shall be used by the board to provide an additional benefit to retirees under Title 49,
27	Chapters 2, Public Employees' Retirement Act, and 3, Public Employees' Noncontributory



28	Retirement Act, whose retirement allowance, when calculated, amounts to less than the allowance
29	provided by using at least 2% per year of service factor for all years of service.
30	(b) The benefit provided in Subsection (2)(a) shall be calculated by the board using a
31	formula based upon actuarial assumptions and principles that results in a benefit that is as close
32	as reasonably possible to 2% per year of service for each retiree, based upon available funding
33	from the contribution rate reduction.
34	(3) After consultation with representatives of those retirees under Title 49, Chapters 2 and
35	3, the board shall adopt standards and rules governing the distribution of [the money] any
36	additional retirement benefit under this section.
37	Section 2. Effective date.

Legislative Review Note as of 12-5-00 8:23 AM

This act takes effect on July 1, 2001.

S.B. 171

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A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

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